

MERCURY PLUNGES OVER NATION

Day's News

FRANK JENKINS budget in a nutshell: proposes spending about 65 1/2 billion in the upcoming fiscal year. That's about five billion more than we've been spending in the current fiscal year. It is expected to be about 10 billion dollars out of balance. That is to say, we'll spend three billion more than we'll get. But that's a smaller deficit than we've been incurring for years.

Other words, WE'RE BEGINNING TO TURN THE CORNER.

all criticize, of course. We've got to criticize. It makes no sense to say that's human nature.

a question we might ask is: where along the line do we stop?

reckon I could have done better if I had been making it instead of Ike?"

example: president asks congress this year to appropriate 154 million for federal projects in the Northwest. That's a sharp increase from previous spending in Washington and Idaho. We'll say we've been MORE—that's ruined if we don't get from Uncle Sam.

that as a result of decreased federal spending the federal states should be matereduced (decreased federal spending is the only way they are reduced).

that instead of first taking away from us and then giving our own money back (less Washington's cut) we should leave MORE OF OUR MONEY IN OUR OWN HANDS, to be spent on our own in our own way.

at event, might we not be well off in the long run? We'd be better off!

ing to paste in your hat: fiscal year that ended on 1953, the federal government in Oregon alone, from sources, the staggering \$579,500,000.

better than a HALF BILLION.

ing to bet that if we'd spend on ourselves here, in our own way, we'd have done a better job of ourselves.

ing, here's some Washington on Ike's budget: er of the House Joe Martin Republican and his political allies are all tied up in the of the GOP: (the budget) is a masterpiece of manipulation.

minority member of the appropriations committee Cannon of Missouri (he's strait and his political force all bound up in DIS-ING the Republican action): (the budget) is as phony as a nutmeg.

POLITICS for you. the reason why we should try anything a politician says is that a teaspoonful of salt.

Disappears Home Dock

BELLINGHAM (AP) — A tug with aboard vanished mysteriously overnight almost within distance of its Bellingham situation.

was the 30-foot Mite Bellingham Tug and Barge men aboard were Don and Bob Sloan, both of Bellingham.

was returning from Island to Bellingham Bay taking up logs. It had left at about 5 p.m. Wednesday.

ch by air and by ground the shore line Friday failed to give any clue to the strange disappearance.

winds were blowing in at the time and again morning.

was on a trip of only through Hale Passage.

and State Enrollment Up

LAND (AP) — Portland State enrollment in the winter term increased 21 per cent over the same term last year to a total of 1,200.

are men. The expense service said night classes have enrolled 2,721, a decrease of 100 from winter term last year.

Logging Permits Near Record Peak

SALEM (AP) — The Forestry Board issued 16,222 logging and mill permits in 1953, the total being only 40 less than the record number issued in 1952.

The board said Thursday that permits for all power-driven operations are required in both Western and Eastern Oregon. Until Jan. 1, permits were not needed in Eastern Oregon.

Mountain Passes Get Snowfall

SALEM (AP) — Snow started falling again Thursday in the Cascade Mountain passes, requiring chains in some of them, the Oregon Highway Commission reported.

A silver thaw in the Troutdale region on the Columbia River Highway made chains necessary.

The commission also required use of chains in the Austin area of Grant County.

Chains should be carried in these areas: Government Camp, Timberline, Wilson River Summit, Sunset Summit, Warm Springs Junction, Cascade Locks, Santiam Pass and Chemult.

There were icy spots in most mountain areas.

Budget Proposal Represents Slash

WASHINGTON (AP) — President Eisenhower laid a \$5 1/2-billion-dollar budget before Congress today, slashing \$1 1/2 billion dollars from total spending but proposing record outlays for atomic energy, continental defense and overseas military aid.

Despite a 7 1/2 per cent cut under estimated spending this year — also lowered — Eisenhower

Highlights of President Eisenhower's budget message will be found on page 16 today. Stories regarding the military budget and proposed tax measures and recommendations will be found on pages 9 and 12.

KLAMATH BASIN POTATO SHIPMENTS

Same Day	52
Last Year	6602
Total For Season	1953-54

General and News

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THE ANNUAL DINNER of the Klamath County Chamber of Commerce was held last night at the Willard, where, during ceremonies, this picture of (left to right) Frank Tucker, chamber manager, Frank Prendergast, vice president and general manager of Carlson Products and George Davis, chamber president, was snapped.

ELTON SMITH, who won last year's outstanding young man award, is shown here awarding this year's Junior Chamber of Commerce award for outstanding civic service to Rex Dye. Dye was chairman of the recent United Fund drive here.

World's First Atom Sub Launched Today; Mamie Does Honors at Ceremony

By ELTON C. FAY
GROTON, Conn. (AP) — The world's first atom powered vessel — the submarine Nautilus — was launched Thursday, opening a new era in sea power.

Mrs. Dwight D. Eisenhower, wife of the President, swung a bottle of champagne across the bow to send the sleek craft sliding down the ways into the Thames River at 10:57 a.m. (EST).

A crowd of about 12,000 persons including a number of notables cheered as the Nautilus entered the water under a "flight suit" nuclear driven vessel as not only a powerful new sea weapon but as a harbinger of peaceful use of atomic energy.

As Mrs. Eisenhower moved forward on the gaily decorated launching platform to christen the vessel, a masculine voice called out: "Hit it hard."

She took a few practice swings and then hit the hull sharply. The bottle crashed and champagne splashed. The crowd roared and whistles blew.

The nation's first lady stood watching silently and bit her lower lip as the Nautilus slid into the river.

AEC Chairman Lewis L. Strauss said during the launching ceremonies the craft symbolized both the "atomic thunderbolts" of defense and of a peaceful boon of nuclear power.

And the Navy's top commander, Adm. Robert B. Carney, saw the historic occasion as an unfolding of "new vistas of American sea power."

Strauss praised the teamwork of industry and of the government agencies, AEC and the Navy, which he said made possible creation of this first atom sub.

He singled out, with the only mention of a specific name, Rear Adm. Hyman G. Rickover, telling the admiral this was a job "well done" and noting this must be an occasion of "supreme gratification" for him.

Rickover, during turbulent behind-the-scenes arguments in the Navy, has headed the nuclear submarine project since the Nautilus designing and building program got under way. He was saved from compulsory retirement and was advanced to his present rank when Secretary of the Navy Anderson intervened.

Morgan Won't Seek Office

PORTLAND (AP) — Howard Morgan does not intend to run for office while he is state chairman of the Democratic Party.

"There is no more comic and disruptive figure in politics than the party official whose unbiased search for the ideal candidate comes to a joyful end one morning before his own shaving mirror," Morgan said in a written statement Wednesday.

He added that he also had decided to continue to live in Polk County. Earlier he had considered moving to Portland, where he once resided.

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er told Congress the government will wind up the 1955 fiscal year, nearly three billion dollars in the red, Fiscal 1955 starts July 1.

He set no figure for continental defense, but said outlays would be "greater than ever before in our history" to provide early warning and reaction to attack.

Military aid would rise by 75 million dollars, he said, to a new peak of \$4,275,000,000 for round-the-world assistance to friendly nations.

The President told Congress "there will be no way of operating within the present debt limit" of 275 billion dollars in the last six months of this year. Therefore, he said, he was renewing

Enthusiasm For Future High Point Of Annual Chamber Of Commerce Meet

"At no time in the last 25 years have I seen more enthusiasm for the future," declared George P. Davis, president of the Klamath County Chamber of Commerce, at the annual dinner held Wednesday evening at the Willard Hotel.

"Klamath Falls is the brightest spot in the state of Oregon," he emphasized. "We are not in a boom-and-bust phase, but on an even, steady plane of economic growth and development."

President Davis awarded certificates of appreciation to outgoing directors: C. (Bud) Larkin, Bill Lorenz, W. S. McBride, Jim Kerns Jr., Mike Balsiger and Ben Goddard.

Instead of making a speech, he referred guests to the half-page printed president's message in the four-page program for the evening.

Quick reports were given from a few department heads.

Vic Schoonover reported the new "family" plan for forum meetings. A total of \$23,500 in new money brought in to Klamath Falls during the last six months by West Coast Airlines was reported by C. (Bud) Larkin, director in charge of aviation. That sum includes only lodging, fuel, transportation, rent, storage and salaries and does not take into account internal company expenditures, he added.

Bob Thompson, executive vice president, reported one example of industrial development. Carlson Products Corporation, he stated, chose Klamath Falls for its West Coast division from 15 sites bidding for the location. The plastic pipe firm has spent \$29,033 in Klamath Falls in the last six months, renovating its plant and preparing for full operation which will start this month. This sum does not include the new machinery installed, nor distribution of pipe which has been sent here for redistribution. Nor contemplated payrolls.

Walter Prendergast, vice president and general manager of Carlson Products, who had come to Klamath for the trial run at the plant Wednesday, was introduced by Thompson.

Keith Cobo, director in charge of the tourist and convention committee stated that tourists and conventions "take nothing from natural resources and that money spent by visitors goes into local circulation where it is spent 11 times before being invested in securities.

He mentioned the 10 major conventions which brought more than 1000 delegates to Klamath Falls during 1953. He estimated these vis-

Scores Die In Rail Smash

KARACHI, Pakistan (AP) — The Pakistan Mail, this country's crack passenger train, ripped at 60 miles an hour into a freight train early Thursday 75 miles north of here.

Foreign Minister Sir Zafarullah Khan, who escaped unscathed, said on his return here some eyewitnesses put the total killed or injured at around 300.

The train was roaring through the desolate Sind desert from Lahore to Karachi when it crashed into the train of oil tank cars. The first two passenger coaches were reported "completely burned," although the oil freight did not explode. Two other front cars — apparently carrying lower class passengers — and the two engines were said to have been badly damaged. A number of foreigners, including Americans and Britons, were aboard the train.

Emergency Meet Set

SALEM (AP) — The State Emergency Board will meet here at 10 a. m. Friday to consider requests for emergency funds.

It also will act on requests by the State Board of Control for permission to hire an architect to draw plans for the proposed mental hospital in the Portland area; for an appropriation of \$250,000 to buy a site for the state reformatory in Marion County; and to let the Board of Control go ahead with construction of the new State Finance Department building and the new inmates' cottage at Fairview Home.

The Department of Agriculture, Department of Education, Parole Board and Tax Commission will ask for extra funds.

Several departments also will ask for permission to revise their budgets without requiring extra funds.

Storm Moves On Northwest

By THE ASSOCIATED PRESS
A storm front moved in on the Pacific Northwest Thursday with more snow for the inland and a change to rain over most of the region west of the Cascades. North Idaho had a near blizzard.

Motorists were warned to stay out of Snoqualmie and Stevens Passes.

Temperatures generally were higher.

The forecast was for light snow and flurries overnight and Friday on the East side, with rain Friday night west of the Cascades.

Bellingham had the most severe West Side weather as northeast winds of 20 miles an hour arrived with a fresh blanket of several inches of snow during the morning.

Drifts on county roads closed the schools in three large Whatcom County districts. Many other rural schools in Western Washington were closed.

There was overnight snow in northwest Washington, with about six inches in Seattle, but to the south of Seattle it changed to rain and temperatures were a rally climbed above freezing.

The Washington State Patrol announced: "It is snowing and blowing heavily in both Stevens and Snoqualmie Passes; recommend no traffic over either pass; stopping all but emergency traffic in Stevens."

As far south as Portland there was only a trace of snow overnight, but the rain froze and created hazardous driving conditions. Portland Airport traffic was closed because of ice.

There was about six inches of fresh snow in the Columbia Gorge to the east.

A child's death in a sled accident in Seattle raised the state total to three from that cause. It was the sixth Washington death attributable to the weather situation.

Another foot of snow coupled with winds forced schools to close at Bonners Ferry, Idaho where an overnight low of -13 was reported.

Ellensburg and Harrington were apparently the coldest spots in Washington with -7. It was -3 at Walla Walla and -1 at Ephrata but temperatures had "warmed up" elsewhere under protective clouds.

Strong 20-mile an hour winds struck at parts of the Idaho Panhandle and many roads were drifting shut. Visibility was dropping.

Freezing rain was reported at both Seattle and Portland along with some snow. But the Seattle overnight low was a comparatively mild 26 above.

The temperature was up 30 degrees at Newport in northeastern Washington. It was -27 there early Wednesday, 2 above Thursday morning at the same time.

From one to eight inches of new snow was reported elsewhere in north Idaho. Lewiston and Grangeville had overnight minimums of -2.

The storm front came from the British Columbia coast and moved in earlier than expected. The snow clouds were figured to keep temperatures up above zero Thursday night, with minimums of 5-10 above forecast for Thursday night and early Friday in the Inland Empire, higher on the coast.

APPOINTED

SALEM (AP) — Michael S. Mogan, Canyon City, was appointed by Gov. Patterson Thursday as district attorney for Grant County.

He succeeds Clifford B. Olson, who resigned effective Jan. 22.

Weather

FORECAST—Klamath Falls and vicinity: Warmer and windy; few showers Friday. High Friday 38; low Thursday night 35.

High yesterday	23
Low last night	15
Precip last 24 hours	0
Since Oct. 1	7.80
Same period last year	8.83
Normal for period	6.92

French Push Inland; Red Town Taken

By MAX CLOS
Aboard Troop Transport Off Tuohoa, Indochina (AP) — French Union forces storming ashore on the coast of Annam in a drive to wrest control of the area from the Communist-led Vietminh pushed inland Thursday after occupying Tuohoa, 250 miles north-east of Saigon.

The French command described the landings as the first big scale French-Viet Nam offensive in the seven-year-old Indochinese war.

"For several years all French military actions have been of a defensive nature," a spokesman said. "This phase is ended. Despite heavy Vietminh pressure... The French command has succeeded in grouping sufficient forces to take the initiative in an offensive."

OFFENSIVE

The strong land, air and sea offensive started at dawn Wednesday when 2,000 French Union troops landed near the town. Supporting forces advanced north along the coastal road from French-held Nhatrang, 45 miles to the south.

The aim of the drive is to win control of the entire coastal area from Varella, in the south, about 300 miles north to Falo.

This rich area, with about three million inhabitants, has been held by rebel forces since 1945.

The landing force reported only feeble resistance was encountered from Vietminh forces near Tuohoa but the columns advancing along the coastal road have run into several fortified villages.

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BODIES FOUND

CAIRO, Egypt (AP) — The battered bodies of two British soldiers were found Wednesday night across the railway line near Mousarr, in the Suez Canal zone. British military authorities announced Thursday.



JOYCE HALE and Louise Fields, both students at Pelican school, were caught by the nine o'clock cameraman's lens this morning.